

**MINUTES OF THE APRIL 8, 2013, MEETING
OF THE GOVERNING BOARD OF THE
ILLINOIS HEALTH INFORMATION EXCHANGE AUTHORITY**

The Board of Directors (“Board”) of the Illinois Health Information Exchange Authority (“Authority”), pursuant to notice duly given, held a meeting at 2:30 p.m. on April 8, 2013, at the State of Illinois James R. Thompson Center, 100 W. Randolph Street, Chicago, IL 60601, with telephone conference call capability.

<u>Appointed Members Present:</u> 1. Dr. Bechara Choucair 2. Mr. David Holland 3. Dr. William Kobler 4. Dr. Nancy Newby 5. Dr. Nicholas Panomitros 6. Mr. Raul Recarey 7. Dr. Bruce Wellman 8. Dr. Cheryl Whitaker	<u>Ex-Officio Members Present:</u> 1. DOI – Ms. Colleen Burns 2. DPH – Mr. David Carvalho 3. OOG – Ms. Laura Zaremba 4. DHS – Sharon Dyer-Nelson (by telephone)
<u>Appointed Members Absent:</u> 1. Mr. Mark Neaman	<u>Ex-Officio Members Absent:</u> 1. HFS – Director Julie Hamos
<u>OHIT Staff Present:</u> Mark Chudzinski; Jeremy Kohn; Pamela Parker; Sanjay Patel	

Item 1: Welcome and Call to Order

Dr. Cheryl Whitaker, Chair of the Board of Directors of the ILHIE Authority, called the meeting to order at 2:42 p.m.

Item 2: Roll Call

Mr. Mark Chudzinski, Secretary to the Board, confirmed the presence of the above Members of the Authority Board and the ability of those participating by phone to hear clearly and participate. There were no objections expressed to the participation of Directors by electronic means.

Item 3: Approval of Agenda

There were no proposed revisions to the meeting Agenda as posted in advance of the meeting in accordance with the Illinois Open Meetings Act.

Item 4: Approval of January 23, 2013 Meeting Minutes

Copies of the January 23, 2013 draft minutes of the ILHIE Authority Board meeting, and of the meeting of the Committee of the Whole, were circulated in advance of this meeting. The Board approved both sets of minutes.

Item 5: Chair Report

Dr. Whitaker provided a brief update and preview of the Board meeting topics. She noted that her term will expire this June and that the Board is considering a new slate of leaders, including “balancing the ticket” by including representatives from Chicago and from downstate. The Authority has addressed significant attention to the inclusion of the mental health community in the benefits of health information exchange, and in the past year hired an Executive Director who has been looking to close deals on the ILHIE’s behalf. Also, the details of financing the ILHIE are becoming clearer, particularly with Medicaid as an important ILHIE customer.

Item 6: ILHIE Executive Director Update

Mr. Raul Recarey, Executive Director of the Authority, presented updates on new ILHIE Authority staff members, the ILHIE’s on boarding progress, the expansion of ILHIE Direct, the Illinois EHR Incentive Program, the proposed consent legislation amending Illinois mental health law, and the Illinois State Health Care Innovation Model.

Mr. Recarey introduced the newly appointed officers of the ILHIE Authority: Ms. Sonia Bhagwakar for Legal Counsel, Ms. Pamela Parker for Project Manager, Ms. Aneta Adugalska for Administrative Office Manager, and Mr. Frank Kisner for Business & Client Support. Mr. Recarey also noted that the existing staff of the Illinois Office of Health Information Technology (OHIT) will continue to work closely with the Authority and provide services to the ILHIE.

Mr. Recarey next presented a chart summarizing the network implementation status of providers and other organizations, and a chart describing the organizations currently in the ILHIE’s on boarding pipeline. He noted that having lab data to share would greatly increase the value of the ILHIE, and that the legislative agenda on that needs to go forward.

ILHIE Direct enrollment has now exceeded 1,800 mailboxes and continues to increase. New groups are being engaged, including dentists, orthodontists, and oral surgeons (who account for about 50% of recent sign-ups) and state agencies including the Departments of Public Health, Aging, and Healthcare and Family Services. The Authority is working with HFS to enroll Care Coordination Entity participants and other Medicaid providers.

The ILHIE will also implement additional services: Enterprise Direct (integrating Direct messaging into EHRs) and HISP-to-HISP connectivity/interoperability. A federation agreement has been signed by all members of DirectTrust.org, and later in April the HISPs will issue digital certificates under a new, unified “Trust Bundle,” allowing automatic connectivity among HISPs nationwide.

The Medicare & Medicaid EHR Incentive Programs are now in their second year, and participation in these programs continues to increase. Illinois ranks sixth in the nation in terms of registered eligible professionals and hospitals, with 4141 registered Medicare EPs, 11,916 Medicaid EPs, and 167 hospitals. Also, Illinois ranks seventh in terms of EHR incentive payments – \$515,825,080 total to date.

Ms. Zaremba noted that the EHR incentive payments would not be affected by the recent “sequester” or across-the-board spending limits imposed by Congress.

Legislation to amend the Illinois Mental Health and Developmental Disability Confidentiality Act (MHDDCA) is now under consideration in the Illinois General Assembly. The bill, HB1017/SB1186, provides for the exchange of mental health records through an HIE, but allows patients to “opt out” of such disclosure. HB1017 gained five additional cosponsors since its introduction, passed the House unanimously (115-0) on March 8, and is set to be considered by the Senate Committee in mid-April. The bill has also been endorsed by 10 stakeholder healthcare organizations.

Finally, Illinois is one of 16 states to receive a State Health Care Innovation Model Design award (from the federal Center for Medicare and Medicaid Innovation) to design a multi-payer service delivery and payment model, with a strong emphasis on health information technology, to support improvement in health care delivery. Illinois is to submit its plan in October for a 3-year Model testing phase.

Item 7: Budget & Finance Committee Report

Mr. Sanjay Patel, OHIT’s Chief Financial Officer and the Authority’s Treasurer, reported to the Board on recent financial activity and refinements to the ILHIE Authority's business model.

OHIT's primary expenditures are (1) OHIT personnel and fringe benefits, (2) payments to the ILHIE's technology partner InterSystems Corporation, (3) up to \$2 million allocated to on-board entities and provide HIE services to rural and underserved areas, and (4) up to \$3.3 million allocated to financially remunerate the Authority for helping to establish HIE connectivity to rural and underserved areas. The Authority will receive these remuneration payments from OHIT for HIE connectivity milestones achieved with different types of health care entities.

The Authority’s refined business model takes into account the revised and Board-approved ILHIE staffing plan, projected Medicaid revenue, anticipated financial remuneration from OHIT, and a set of further refined revenue categories and pricing tiers. Overall, the Authority’s projected revenue streams are from (1) federal foundational funding, (2) state Medicaid funding, (3) financial remuneration from OHIT and, starting in FY 2014, (4) user fees for ILHIE services.

Item 8: ILHIE Governance & Nominating Committee Report

Dr. Whitaker presented the report from the April 2, 2013 meeting of the Governance and Nominating Committee.

The initial terms of six of the nine appointed Board members have expired, but all six Directors have agreed to be re-appointed for an additional three-year term. Three of those gubernatorial reappointments (Choucair, Neaman and Wellman) have been finalized through the Illinois Senate, and three are pending (Holland, Kobler and Panomitros). There currently are no Board vacancies and none are anticipated prior to Feb. 7, 2014, when the initial term appointment of the remaining three Board members (Newby, Recarey and Whitaker) will expire.

The Committee has proposed the following slate of Authority Officers, to be voted on at the next meeting of the Board on May 15, 2013: Mr. David Holland as Chair, Dr. Nicholas Panomitros as Vice-Chair, Mr. Sanjay Patel as Treasurer, and Mrs. Sonia Desai Bhagwakar as Secretary.

The Committee was advised that the initial two-year appointment of 32 members of the Advisory Committee would be expiring on June 30, 2013; an additional 13 appointees would remain in office for an additional year until June 30, 2014. Since their initial appointment, four of the 45 appointed members have resigned, two from the 2013 class and two from the 2014 class.

The Committee was advised that of the 41 active Advisory Committee members, five had not completed the required 2012 ethics training, and the Authority's Ethics Officer has recommended that the membership of these individuals be allowed to imminently lapse (3 persons from the 2013 class) or be terminated (2 persons from the 2014 class).

The Committee instructed the OHIT staff to prepare for the Committee's consideration prior to the next Board meeting on May 15, 2013, a recommended slate of candidates for appointment (or re-appointment) to membership on the Advisory Committee.

The Committee also instructed the OHIT staff to advise the Committee of any legal or policy restrictions that may apply to the appointment of additional participants to the Regional HIE Workgroup.

Item 9: ILHIE Advisory Committee Update

Mr. Recarey reported that the Advisory Committee has requested two projects to be put on the table: (1) a telehealth project that will allow Lurie Children's Hospital to reach out to new communities and geographies, and (2) integrating Direct into NorthShore's Epic platform.

Item 10: Regional HIE Workgroup Report

The Regional HIE Workgroup of the ILHIE Authority Board met on Wednesday, April 3, 2013; all three members of the Committee participated. In addition, persons affiliated with three regional HIEs joined the conference call. Also participating as members of the general public were persons affiliated with four of the stakeholder organizations that have endorsed HB1017, a bill to modernize the Illinois Mental Health Confidentiality Act.

Mr. Mark Chudzinski, General Counsel of OHIT, provided an overview of HB1017, which was passed unanimously by the Illinois House on March 8, 2013, and has been sent to the Illinois Senate for consideration. The bill amends the Illinois Mental Health Confidentiality Act to create an exception for the electronic transfer of patient mental health records to an HIE without prior patient consent, but provides that patients be given an opportunity to "opt-out" from further disclosure of their record by an HIE. The bill has received the endorsement of ten stakeholder healthcare organizations involved with mental health services, but has also been opposed by several organizations with concerns regarding the operational details of patient "opt-out" rights and the nature and content of the "meaningful disclosure" which patients are to receive to enable them to exercise their "opt-out" rights.

Following the passage of the bill in the Illinois House, concerns were raised by a few regional health information exchanges regarding exactly which HIEs would enjoy the benefits of the HIE exception being created pursuant to HB1017. The bill currently defines “HIE” as being the state-level ILHIE, and any health information organization which the ILHIE Authority “approves or certifies.” Mr. Mark Deaton, General Counsel of the Illinois Hospital Association, advised that he was in contact with various parties that expressed concerns. He noted two principal concerns. First, rulemaking by State agencies is customarily a lengthy process, usually from 6 to 12 months; rather than require lengthy ILHIE Authority involvement in determining whether certain HIEs qualify for “approval,” can the text of HB1017 grant “HIE” status immediately to entities that are identified or that meet specific criteria set out in the bill? Secondly, rulemaking by State agencies is subjective and thus uncertain; can HB1017 specify the criteria that the ILHIE Authority must apply in determining if an HIE is “approved?” Mr. Deaton will be exploring with all interested parties potential solutions to their concerns.

Mr. Raul Recarey, Executive Director of the ILHIE Authority, addressed the anticipated business relationship between the state-level ILHIE and the regional HIEs. While a fee schedule for the services to be offered by the ILHIE has yet to be published, he advised that it is not his intent to establish ILHIE fees at a level which creates an incentive for healthcare providers to by-pass available regional HIE connectivity in favor of directly connecting to the state-level ILHIE.

It was proposed that the meetings of the Regional HIE Workgroup be scheduled in advance for no less frequently than quarterly, and that the membership of the Workgroup be increased to include a representative from each of the regional HIEs.

Following Mr. Chudzinski’s presentation, the Board proceeded to discuss whether HB1017 should automatically apply to, or “grandfather in,” the regional HIEs with which the Authority has a current working relationship. Dr. Whitaker directed the staff of OHIT to explore this possibility and to report back to the Authority at its next meeting on May 15.

Item 11: Regional HIE Update

Mr. Chuck Cox, representing Metro Chicago HIE, declined to make an update on MCHIE’s activities. Rather, he raised concerns related to the Board’s earlier discussion of HB1017: First, HB1017 as constructed may pose problems for hospitals that share information across state lines, and for integrated delivery networks with a presence in multiple states. Second, a centralized opt-out system would require that a regional HIE deal with a service outside the HIE’s existing data sharing agreement. By contrast, the federal Data Use and Reciprocal Support Agreement (DURSA) leaves such things at the local level, where in Mr. Cox’s view they should be.

Mr. Stephen Lawrence, Executive Director of the Lincoln Land HIE, stated that he will defer his update on LLHIE to a future meeting when he has more to report.

Ms. Joy Duling, Executive Director of Central Illinois HIE, reported that CIHIE now includes 11 hospitals sharing about 2 million patient records. One more hospital will join imminently, and two more are expected to join within 45 to 60 days. The patient opt-out rate is steady at 0.03 percent. CIHIE had previously been at a technical impasse in terms of connecting to the ILHIE,

but has now worked through the technical challenges (with help on the state side) and is now moving forward to connect to the ILHIE. CIHIE has received a White Space grant and is focusing those efforts on central Illinois long-term care providers, to which CIHIE's current member hospitals felt very strongly about connecting. Work is also underway on HISP-to-HISP connectivity, as well as Direct messaging through DirectTrust.org.

Mr. David Holland, Chairman of the HIE of Southern Illinois, reported that SIH started out as a private entity, but in the last 6 weeks has become a private/public HIE. SIH has also expanded to include a large group of community doctors and, with funding from a White Space grant, will soon onboard several Federally Qualified Health Centers: Shawnee Healthcare within a week and Christopher Rural Health later in the month.

Mr. Roger Holloway, representing Northern Illinois HIE, reported that NIHIE is currently looking at alternatives to HIE, including strategies in conjunction with others.

Item 12: Regional Extension Center Update

Mr. Roger Holloway, co-director of the Illinois Health Information Technology Regional Extension Center, reported that about 65% of IL-HITREC's providers have met Meaningful Use requirements. IL-HITREC is working with ILHIE in terms of HIE strategy, and is also having contractual discussions with HFS to expand its efforts to more of a focused Medicaid population.

Ms. Theresa Walunas, representing the Chicago Health Information Technology Regional Extension Center, reported on CHITREC's progress. CHITREC is helping about 1500 providers achieve Meaningful Use, including about 1000 that will participate in the Medicaid MU program and 500 in the Medicare MU program. Of the 1500, about 81% have working EMRs and 31% have achieved Meaningful Use. Of the 1000, 20% have been documented as achieving Meaningful Use. Of the Medicare-focused providers, about 70% are at Meaningful Use.

Additionally, CHITREC is collaborating with the Alliance of Chicago Community Health Services as part of the White Space program, working with a collection of 7 small practices and CHCs in Chicago to help them connect to the ILHIE. CHITREC is also in the final process of contracting with HFS to help support education, outreach, and achievement of Meaningful Use for providers in the Medicaid incentive program.

Item 13: Public Comment

There were no comments offered from the general public.

Item 14: Adjourn

Dr. Whitaker adjourned the meeting at 4:05 p.m.

Minutes submitted by Jeremy Kohn, OHIT Legal Intern.